

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 71301 / January 14, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-12432

In the Matter of

BISYS Fund Services Inc.,

Respondent.

**ORDER AUTHORIZING THE TRANSFER
OF RESIDUAL FUNDS AND ANY FUTURE
FUNDS RECEIVED BY THE FAIR FUND
TO THE U.S. TREASURY, DISCHARGING
THE FUND ADMINISTRATOR, AND
TERMINATING THE FAIR FUND**

On September 26, 2006, the Securities & Exchange Commission (“Commission”), issued an Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 203(k) of the Investment Advisers Act of 1940, and Sections 9(b) and 9(f) of the Investment Company Act of 1940 (“Order”) against BISYS Fund Services, Inc. (“BISYS”) (Advisers Act Release No. 2554 (Sept. 26, 2006)). The Commission simultaneously accepted BISYS’s offer of settlement. The Order required BISYS to pay disgorgement of \$9,698,835, prejudgment interest of \$1,703,981.66, and a civil money penalty of \$10,000,000. The Order also created a Fair Fund pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, as amended.

On September 25, 2009, the Commission issued an Order Approving Distribution Plan, Appointing a Fund Administrator, and Waiving Bond, whereby Rust Consulting, Inc. (“Rust”) was appointed as the fund administrator (Exchange Act Release No. 60719 (Sept. 25, 2009)). On July 14, 2010, the Commission issued an Order Directing Disbursement of Fair Fund that authorized the disbursement of \$22,422,911.40 (Exchange Act Release No. 62498 (July 14, 2010)).

The Fair Fund distributed \$22,422,911.40 to twenty seven mutual fund families affected by the conduct discussed in the Order. The Fair Fund was allocated proportionally: first, by distributing the portion of the disgorgement and prejudgment interest amounts attributable to each Fund Family; and second, by distributing the penalty based on the amount of administration fees paid by each Fund Family that were allocated to marketing expenses during the period July 1, 1999 through June 30, 2004. Approximately 99.94% of the Fair Fund was distributed. The

residual amount principally reflects net refunds from Federal and District of Columbia tax authorities.

Paragraph 31 of the Plan provides that the Fair Fund is eligible for termination after (1) the final accounting by the fund administrator has been submitted and approved by the Commission; (2) all taxes and fees have been paid; and (3) all remaining funds or any residuals have been transferred to the U.S. Treasury. A final accounting report, which was submitted to the Commission pursuant to Rule 1105(f) of the Commission's Rules on Fair Fund and Disgorgement Plans, has been approved. All taxes and fees have been paid and the Commission is in possession of the remaining funds.

Accordingly, IT IS ORDERED that:

1. The \$12,765.58 balance in the Fair Fund shall be transferred to the U.S. Treasury, and any future funds received by the Fair Fund will also be transferred to the U.S. Treasury;
2. The fund administrator is discharged; and
3. The Fair Fund is terminated.

By the Commission.

Elizabeth M. Murphy
Secretary